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The Director of Central Intelligence
Washington, D.C. 20305

National Intelligence Council

NIC #03947-87
21 September 1987

25X1

MEMORANDUM FOR:


Executive Assistant to the Executive Director

FROM: H. F. Hutchinson, Jr.
Vice Chairman

SUBJECT: Proposed Pay, Personnel and Compensation System

1. Attached are three reports from the National Intelligence Council. We elected to have the NIOs, Assistant NIOs, and secretaries interviewed separately.

2. The results are interesting:

- Most find the proposals overwhelming in detail and do not fully understand them.
- Few have taken the time to read the proposals or attend a briefing.
- Few see incentives in the new system.
- Many are somewhat apprehensive about the proposals.
- Nevertheless, the mood is to go ahead with change.

3. My judgment is:

- The proposal is uninspired.
- Change is required, and soon.
- A tedious, bureaucratic revision of the proposal is not desirable.
- If we can't revise it quickly, let's get on with it.


H. F. Hutchinson, Jr.

Attachments

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P-103-15

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MEMORANDUM FOR:

[Redacted]

Executive Assistant to the Executive Director

FROM:

H. F. Hutchinson, Jr.
Vice Chairman

SUBJECT:

Proposed Pay, Personnel and Compensation System

Distribution:

Orig - Addressee

1 - NIO/LA (Vickers)

25X1

1 - ANIO/EA

1 - ONIO/AL

1 - O/C/NIC Chrono

25X1

1 - HFH Chrono

VC/NIC:HFHutchinson,Jr./mm

[Redacted]

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11 September 1987

MEMORANDUM FOR: H. F. Hutchinson, Jr.
Vice Chairman, National Intelligence Council

FROM:

SUBJECT: Comments on Proposed Pay, Personnel Management, and
Compensation System

1. In general, I found a feeling of indifference among the assistant NIOs and AG personnel that responded to my request for input on the proposed compensation system. Despite the fact that all assistants and AG members received a memo and questionnaire, only six were returned to me. Most of the observations made in this memo are drawn from personal contact with about a dozen others from throughout the NIC. Because I tend to favor the new proposals, I found myself doing a somewhat lousy job as a pollster. Too often I found myself defending the proposals--often in reaction to what I thought was lack of understanding of the specifics of the proposals.

2. It became clear very early that no one was prepared, or wanted, to address all of the 16 specific proposals in the package. But it was also clear that most wanted to talk about the pay/bonus/banding proposals. Misgivings were raised about the subjective decisions that will be made in the promotion/pay process--performance plans, performance evaluations, panel discussions. These have been traditional gripes; they will continue to be so.

3. The population sample I had to work with was small, so I was not able to come up with any hard statistical data. There was, however, one issue that seemed to be developing a groundswell--three people zeroed in on it--all employees should continue to receive government-wide salary increases that are approved by the Congress. Nevertheless, I found two general categories of people:

Those who attended a briefing and are generally in favor of the proposals:

--This group, although generally in favor of what was being proposed, is concerned most about how promotions and bonuses will be handed out. There is considerable skepticism about the competency and objectivity of management in this Agency. Almost without exception, these people were leery about trusting their future pay raises to managers who are experts at dispensing patronage or playing favorites. People were most unclear about how the mechanics for all of this would work--panels were not necessarily an answer to their concerns. This having been said, this group said "go for it."

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Those who did not attend a briefing and are against the proposals:

--I guess it really should not have been surprising that those that I spoke to who did not attend a briefing were almost without exception against the proposals. Once again the main fear was how pay raises would be allocated. But, with this group, the old GS system should be left as is, because "we know how it works." It was a little frightening to hear some of their reactions. The word, "plot" was sometimes used by this group. Some of these people are resigned to the FACT that the Agency is going to do what it wants anyway.

4. Because this organization is basically conservative to begin with, I guess it should not have surprised me that there would be such an undercurrent of resistance to change. Maybe we have thrown too many details, at too many people, too soon. Perhaps we should have first sold everyone on the idea that because we are different from the rest of the US Government, we should develop our own pay, personnel and compensation system and be truly different. (No one I spoke to disputes the fact that we are different.) Then perhaps once the stage had been set, we could have launched into the details, with more people participating, more fully.

5. On balance, most of those I spoke to are willing to take a chance on a new, and more flexible system. While one said that they thought it "unprofessional" to be grubbing for a 5 percent bonus, most agreed that it is in our (mid-level officers) interest to try something different. As usual, however, the details are making them somewhat uncomfortable.

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The Director of Central Intelligence
Washington, D.C. 20505

National Intelligence Council

27 August 1987

MEMORANDUM FOR: H. F. Hutchinson, Jr.
Vice Chairman, National Intelligence Council

FROM: Robert D. Vickers, Jr.
National Intelligence Officer for Latin America

SUBJECT: NIO Comments on the New CIA Personnel Management and
Benefit System

1. Most of the National Intelligence Officers were supportive of the overall management and benefits package. Nevertheless, some raised major questions about various aspects of the proposals:

a. Feature 1 - Banding: There was a question about whether four to six bands was really sufficient. Another fundamental question was whether banding would affect the ability of CIA personnel to move to other government agencies, either temporarily or permanently. Finally, there was some doubt about whether we could trust a contractor to do an objective job of assessing salary comparability.

b. Feature 2 - Incentive Pay: Reaction was generally favorable, but there was a question about whether all automatic salary adjustments should be abolished.

c. Feature 3 - Performance Plan: There was considerable concern about the new performance appraisal system and the problems that resulted from the former LOIs.

d. Feature 4 - Performance Evaluation: Same concern as above.

e. Feature 5 - Career Handbooks: Positive response.

f. Feature 6 - Career Development: There was concern about whether individuals would really get any more support than they get under the current system, i.e., very little.

g. Features 7 and 8 - Training: Positive response.

h. Feature 9 - Dual Track: Positive response.

i. Feature 10 - Promotions: Very positive.

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j. Feature 11 - Flexible Benefits: There was some concern that there was too much flexibility and possible confusion. Nevertheless, the response was generally very positive.

k. Feature 12 - Leave Conversion: Very positive.

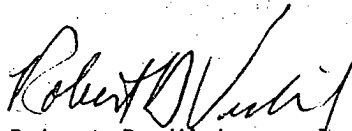
l. Feature 13 - Education Assistance: Very positive.

m. Feature 14 - Staffing Management: There was concern that older, more senior SIS' would be forced out just to make way for younger officers.

n. Feature 15 - System Controls: Generally positive.

o. Feature 16 - Projection Tools: Generally positive.

2. In terms of overall comments of the NIO's, there was recognition that the new system would place a much heavier burden on the supervisor to manage the performance plan, and that considerable additional training would be absolutely necessary for this task. There was also considerable questioning of whether and how the bonuses would be publicized, i.e, the private sector generally keeps bonus information very secret so as not to promote dissension.


Robert D. Vickers, Jr.

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The Director of Central Intelligence

Washington, D.C. 20505

National Intelligence Council

16 September 1987

MEMORANDUM FOR: Vice Chairman, National Intelligence Council

STAT FROM:

Executive Secretary

SUBJECT: Comments on New CIA Personnel Management and Benefit System

1. Each secretary of the National Intelligence Council received a memo, questionnaire, and telephone call regarding the draft proposal for the New CIA Personnel Management and Benefit System. Needless to say, the response was very poor. Telephone conversations revealed that most secretaries did not have time to read such a lengthy proposal which was difficult to understand; they also felt that they could not afford the time to attend briefings in the auditorium that lasted two to four hours. Although I attended a briefing, it was so poorly represented that few questions were asked and little information was gained. The general consensus of the secretaries is that a change is needed in the GS system.

2. A summary of comments from the "Employee Survey" form are as follows:

- Feature 1 - Occupationally Defined Bands: Secretarial comments - Is four to six levels enough? My thinking is that banding does not provide incentive or merit and that it limits advancement. Why does the Agency have to spend money for contractor support in compiling salary data? It seems to me that the Agency has enough competent people to do the job.
- Feature 2 - Incentive Pay: Secretarial comments - average rating is high for all categories. It is my understanding that under our system now we have a recognition factor--why don't we use special achievement/exceptional accomplishment awards more? Also, incentive pay can be worked into the GS system.
- Feature 3 - Performance Plan: Secretarial comments - average rating.
- Feature 4 - Performance Evaluation: Secretarial comments - Average rating is high.

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SUBJECT: Comments on New CIA Personnel Management and Benefit System

- Feature 5 - Occupational Career Handbooks: Secretarial comments - average rating is high. I think this is good. At least you could map your career and know how to plan for future progress.
- Feature 6 - Individual Career Development Plans: Secretarial comments - average rating is high.
- Feature 7 - Occupation-Specific Training: Secretarial comments - average rating is high.
- Feature 8 - Improved Availability of Training: Secretarial comments - average rating is high. I am not sure how training will be done at the convenience of the employee.
- Feature 9 - Dual Track: Secretarial comments - average rating is high.
- Feature 10 - Promotion: Secretarial comments - average rating is high. I am not sure that the (B) section is clear. I thought "satisfactory performance appraisal rating" was the basis for incentive pay, and "demonstrated ability to assume greater responsibility at a more senior level" was the basis for a promotion. Promotions are not mentioned too much in the new system and it looks as though they may be based on training.
- Feature 11 - Flexible Benefits: Secretarial comments - average rating. This sounds confusing to me. We definitely need a good benefits program. It could be added to our existing program.
- Feature 12 - Leave Conversion: Secretarial comments - average rating is high. My comment is why are none of these benefits in the secretarial career system; it appears these are benefits for the SIS level and non-SIS managers and experts.
- Feature 13 - Educational Assistance for Dependents: Secretarial comments - average rating is high.
- Feature 14 - Staffing Management Tools: Secretarial comments - average rating is high. I don't like the "unreduced benefits" as that does not seem quite fair to other employees.
- Feature 15 - System Controls: Secretarial comments - average rating. We are now in the hands of computers.

- 2 -
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SUBJECT: Comments on New CIA Personnel Management and Benefit System

-- Feature 16 - Projection Tools: Secretarial comments - average rating.

-- The question you posed that secretaries focus on: "How would this affect the IS System?" The booklet does not say much on this. The only thing I recalled was that the secretarial force would be phased into the system, if adopted, over a two year period. *Most secretaries did not realize this involved them since they had their own system.*

3. The average opinion of the secretaries is--"What are we waiting for?"--go ahead. I am a little more reserved. I agree with most of the proposed changes but think that we ought to adopt as many of them as we can under the present (GS) pay system. Why not improve what we have--making existing things better. Something so totally new only frightens people.

STAT



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EMPLOYEE SURVEY

System Features:

Rating and Comments: *

Feature 1—Occupationally Defined Bands

A. There could be a varying number of banded pay levels—from four to six—for each Agency occupation.

8

B. There would be a broader spread between the minimum and maximum of a banded pay level than exists for GS grades. Instead of discrete steps, the internal range of an individual banded pay level would be open, and permanent salary increases would represent a percentage of base pay.

8

C. The relationship between our occupations would be maintained by an Agency-specific job evaluation system. This system would replace all OPM-related classification tools being used by the Agency.

8

D. An Agency-unique pay schedule would be developed using the banded job levels identified by the panels. The new pay schedule would have 25 pay levels based in part on salary data that compares Agency jobs against equivalent ones in the marketplace. Each band within an occupation would be placed on the new pay structure at the appropriate level. The top of the pay structure would be constrained by the legislative pay cap.

7

E. To keep the pay schedule current, contractor support would be used to compile and assess salary survey data for periodic review by the Office of Personnel with direct participation by the Directorates. Salary schedule adjustments periodically would be authorized by the DCI.

7

* On a scale of 1 to 10, indicate your reaction to each feature (1 being least favorable, 10 being most favorable, and 5 indicating a neutral position; no entry indicates no opinion). Use a separate sheet of paper if more room is needed for comments.

Feature 2—Incentive Pay

A. The Agency would budget directly for its incentive pay and promotion funds. Legislative pay increases would increase the amount of personal services monies available for distribution to employees as part of the incentive pay system.

B. Using budget amounts specified by the Comptroller, an Agency-wide incentive pay planning grid would be developed annually and approved by the EXCOM. The grid would specify the ratio of amounts available for permanent salary increases and performance bonuses.

C. Above satisfactory performance would be rewarded more substantially than under the GS, and satisfactory employees would receive pay increases comparable with those now possible.

D. Pay would be in two parts, a permanent increase and a performance bonus; both will be a percentage of base salary. Permanent increases to salary would be paid biweekly, and performance bonuses paid in a single lump sum.

E. Pay adjustments would be on the basis of competitive evaluations conducted by panels. Office directors, DO division chiefs and heads of independent offices would approve all pay adjustments below the SIS level.

F. Individuals who serve outside of their home office would be evaluated for and paid a permanent increase and a performance bonus by the component in which they are working. Promotion for these individuals would be the responsibility of the parent career service.

G. Salary schedule adjustments would not automatically result in an increase to each employee's personal salary. Rather, an employee's salary increase would be determined during the annual pay-for-performance evaluation.

H. A Manager-Expert Incentive Program would be established as a recognition program for non-SIS managers and experts. There would be an increased annual leave carryover limit for managers and experts and a bonus program that would allow an additional bonus, which, when combined with the normal merit bonus, could be as much as 15 percent of base pay.

I. The minimum and maximum for SIS bonuses would remain as they are today, but the bonus pool would be increased somewhat to allow a larger percentage of the SIS population to receive an award.

Salaries for SIS people start around \$60,000 up. More people in pool means more money going to upper level. Therefore, less for lower grades to spread around.

Feature 3—Performance Plan

A. A modified performance appraisal system would be developed that includes: performance plan formulated by the supervisor and employee at the beginning of the rating period and required interim feedback discussions between supervisor and employee.

9

B. An automated data base of key tasks for each job identified by the occupational panels would be developed and made available to supervisors and employees to aid performance planning.

9

C. Supervisors would have the flexibility to modify a performance plan on the basis of interim feedback discussions with the employee.

8

Feature 4—Performance Evaluation

A. The current PAR format could be changed and a five-point scale adopted in place of the current seven-point scale. Additionally, a performance appraisal form tailored for the evaluation of managers would be developed.

9

B. Employees would be evaluated against job tasks identified by the occupational panels or against specific job tasks developed with the supervisor.

9

C. The performance appraisal by the first- and second-line supervisors would be used by panels to evaluate and rank employees for pay adjustments.

9

Feature 5—Occupational Career Handbooks

Career handbooks would be written for each Agency occupation. The handbooks would outline the career management process for each occupation including career maps, training and assignment opportunities, and pay administration procedures.

10

Feature 6—Individual Career Development Plans

Employees would have the option, tools, and incentives to prepare detailed and realistic career development plans. Information regarding projected Agency needs would be available to assist employees in their individual planning.

10

Feature 7—Occupation-Specific Training

Occupation-specific training would be developed that is keyed to the particular skill requirements of the various levels within individual occupations. Representatives of the occupations would work with OTE to tailor courses to meet specific occupational requirements.

10

Feature 8—Improved Availability of Training

Training would be made available when it is needed and at the convenience of the employee. Several new training features such as self-instructional correspondence courses, computer-based instruction, and workbooks on a range of unclassified subject areas would be developed.

7 Key words are "when needed."
what about ambitious employee who wants to learn more but not needed?

Feature 9—Dual Track

With more positions established for experts at the higher levels, employees in a number of occupational fields would have an alternative to the management track that offers appropriate reward and status.

8

Feature 10—Promotion

A. Career management would continue to be the responsibility of the parent organization/career service, and panels would evaluate employees annually for promotion to the next higher level.

8.

B. All employees who have a satisfactory performance appraisal rating would be considered for promotion.

10

C. Promotions would result in a permanent increase to base pay of at least 10 percent.

9

Feature 11—Flexible Benefits

A flexible benefits program would be developed with three attractive characteristics. First, it would allow the employee more choice in selecting benefit options. Second, it would allow the employee to pay certain health and dependent care expenses and other qualified benefits with pretax dollars. Third, it would allow the employee to exchange some annual leave for additional flexible credits or exchange flexible credits for additional leave.

8

Feature 12—Leave Conversion

Several annual leave modifications are being proposed as alternatives to those offered under flexible benefits. These include: increasing the annual leave carryover limits for non-SIS managers and experts; cash payment for SIS leave balances in excess of 500 hours; conversion of annual leave to sick leave or deposit into a sick leave bank; and use of home leave balances as paid time off in the year before retirement.

8

Feature 13—Educational Assistance for Dependents

A CIA-guaranteed and -subsidized student loan program administered through the Credit Union is proposed. In addition, leave secured loans and Thrift loans are considered.

8

Feature 14—Staffing Management Tools

A. Establishment of a retention bonus program is proposed to provide managers with extra flexibility to reduce turnover of key individuals or groups of employees.

B. An early retirement provision is proposed that would allow certain SIS officers retirement with unreduced benefits to maintain a flowthrough into the management ranks.

C. An early retirement provision is proposed that will allow certain key experts to retire with unreduced benefits as a means of encouraging them to spend a full career with CIA.

D. An involuntary retirement option is being proposed to allow certain individuals effected by reorganization or reduction in force to retire early with unreduced benefits.

Feature 15—System Controls

Computer-based models of the personnel structure at CIA would be developed to formulate salary planning grids for the Agency incentive pay program, to allocate incentive and promotion monies to the Directorates, and to assist components in adjusting occupational levels and numbers of personnel.

Feature 16—Projection Tools

Automated support would be available at the component level to assist managers with projections on future human resource requirements.

9.

9 Good so they can enjoy retirement and leave room for others to grow and be promoted.

9 Same reason as letter B.

9 Same reason as letter B.

9

9

After reading the Task Force report on the proposed new pay, personnel management and benefits system, the statement(s) below that most closely reflects my opinion is:

1. What are we waiting for? I agree with the proposed changes and think that we ought to adopt the new system pretty much as presented in the report.
2. I agree with most of the proposed changes but think that we ought to adopt as many of them as we can under the present (GS) pay system, without shifting to a market-based occupational pay scheme.
3. I agree with most of the proposed changes but don't like:
- ☐ the pay-for-performance incentive feature
 - ☐ having to get off the GS system
 - ☐ the dual track idea
 - ☐ banding
 - ☐ the proposed new PAR system
 - ☐ other (specify _____)
4. I don't feel strongly for or against the proposed changes; I could go either way.
5. I don't like any of the proposed changes except:
- ☐ incentive pay
 - ☐ market pricing and getting off the GS system
 - ☐ dual track
 - ☐ banding
 - ☐ improved career development system
 - ☐ proposed benefits program changes
 - ☐ other (specify _____)
6. I think the whole thing is a bad idea; we should stick with what we've got.
7. I still don't understand the proposed changes well enough to make an informed judgment.

My office DEF/NIC/NIO/SP
Grade LS-03
Career Service 85 75
Job title or "occupation" Senior Secretary

EMPLOYEE SURVEY

System Features:Rating and Comments: ***Feature 1—Occupationally Defined Bands**

A. There could be a varying number of banded pay levels—from four to six—for each Agency occupation.

8 - Is 4-6 enough?
Must be careful
not to create a "Miscellaneous"
level.

B. There would be a broader spread between the minimum and maximum of a banded pay level than exists for GS grades. Instead of discrete steps, the internal range of an individual banded pay level would be open, and permanent salary increases would represent a percentage of base pay.

9

C. The relationship between our occupations would be maintained by an Agency-specific job evaluation system. This system would replace all OPM-related classification tools being used by the Agency.

9

D. An Agency-unique pay schedule would be developed using the banded job levels identified by the panels. The new pay schedule would have 25 pay levels based in part on salary data that compares Agency jobs against equivalent ones in the marketplace. Each band within an occupation would be placed on the new pay structure at the appropriate level. The top of the pay structure would be constrained by the legislative pay cap.

8

E. To keep the pay schedule current, contractor support would be used to compile and assess salary survey data for periodic review by the Office of Personnel with direct participation by the Directorates. Salary schedule adjustments periodically would be authorized by the DCI.

9

* On a scale of 1 to 10, indicate your reaction to each feature (1 being least favorable, 10 being most favorable, and 5 indicating a neutral position; no entry indicates no opinion). Use a separate sheet of paper if more room is needed for comments.

Feature 2—Incentive Pay

A. The Agency would budget directly for its incentive pay and promotion funds. Legislative pay increases would increase the amount of personal services monies available for distribution to employees as part of the incentive pay system.

B. Using budget amounts specified by the Comptroller, an Agency-wide incentive pay planning grid would be developed annually and approved by the EXCOM. The grid would specify the ratio of amounts available for permanent salary increases and performance bonuses.

C. Above satisfactory performance would be rewarded more substantially than under the GS, and satisfactory employees would receive pay increases comparable with those now possible.

D. Pay would be in two parts, a permanent increase and a performance bonus; both will be a percentage of base salary. Permanent increases to salary would be paid biweekly, and performance bonuses paid in a single lump sum.

E. Pay adjustments would be on the basis of competitive evaluations conducted by panels. Office directors, DO division chiefs and heads of independent offices would approve all pay adjustments below the SIS level.

F. Individuals who serve outside of their home office would be evaluated for and paid a permanent increase and a performance bonus by the component in which they are working. Promotion for these individuals would be the responsibility of the parent career service.

G. Salary schedule adjustments would not automatically result in an increase to each employee's personal salary. Rather, an employee's salary increase would be determined during the annual pay-for-performance evaluation.

H. A Manager-Expert Incentive Program would be established as a recognition program for non-SIS managers and experts. There would be an increased annual leave carryover limit for managers and experts and a bonus program that would allow an additional bonus, which, when combined with the normal merit bonus, could be as much as 15 percent of base pay.

I. The minimum and maximum for SIS bonuses would remain as they are today, but the bonus pool would be increased somewhat to allow a larger percentage of the SIS population to receive an award.

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C. Promotions would result in a permanent increase to base pay of at least 10 percent.

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C. An early retirement provision is proposed that will allow certain key experts to retire with unreduced benefits as a means of encouraging them to spend a full career with CIA.

D. An involuntary retirement option is being proposed to allow certain individuals effected by reorganization or reduction in force to retire early with unreduced benefits.

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Feature 16—Projection Tools

Automated support would be available at the component level to assist managers with projections on future human resource requirements.

After reading the Task Force report on the proposed new pay, personnel management and benefits system, the statement(s) below that most closely reflects my opinion is:

1. What are we waiting for? I agree with the proposed changes and think that we ought to adopt the new system pretty much as presented in the report.
2. I agree with most of the proposed changes but think that we ought to adopt as many of them as we can under the present (GS) pay system, without shifting to a market-based occupational pay scheme.
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- ☐ the pay-for-performance incentive feature
 - ☐ having to get off the GS system
 - ☐ the dual track idea
 - ☐ banding
 - ☐ the proposed new PAR system
 - ☐ other (specify _____)
4. I don't feel strongly for or against the proposed changes; I could go either way.
5. I don't like any of the proposed changes except:
- ☐ incentive pay
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 - ☐ banding
 - ☐ improved career development system
 - ☐ proposed benefits program changes
 - ☐ other (specify _____)
6. I think the whole thing is a bad idea; we should stick with what we've got.
7. I still don't understand the proposed changes well enough to make an informed judgment.

HOW COULD THIS AFFECT THE IS SYSTEM? I believe it would give it a more serious / professional standing - if bonding were to be agency-wide, it would most likely get fixed - turned,

EMPLOYEE SURVEY

System Features:

Rating and Comments: *

Feature I—Occupationally Defined Bands

A. There could be a varying number of banded pay levels—from four to six—for each Agency occupation.

6

B. There would be a broader spread between the minimum and maximum of a banded pay level than exists for GS grades. Instead of discrete steps, the internal range of an individual banded pay level would be open, and permanent salary increases would represent a percentage of base pay.

6

C. The relationship between our occupations would be maintained by an Agency-specific job evaluation system. This system would replace all OPM-related classification tools being used by the Agency.

10

D. An Agency-unique pay schedule would be developed using the banded job levels identified by the panels. The new pay schedule would have 25 pay levels based in part on salary data that compares Agency jobs against equivalent ones in the marketplace. Each band within an occupation would be placed on the new pay structure at the appropriate level. The top of the pay structure would be constrained by the legislative pay cap.

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E. To keep the pay schedule current, contractor support would be used to compile and assess salary survey data for periodic review by the Office of Personnel with direct participation by the Directorates. Salary schedule adjustments periodically would be authorized by the DCI.

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* On a scale of 1 to 10, indicate your reaction to each feature (1 being least favorable, 10 being most favorable, and 5 indicating a neutral position; no entry indicates no opinion). Use a separate sheet of paper if more room is needed for comments.

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C. Above satisfactory performance would be rewarded more substantially than under the GS, and satisfactory employees would receive pay increases comparable with those now possible.

10

D. Pay would be in two parts, a permanent increase and a performance bonus; both will be a percentage of base salary. Permanent increases to salary would be paid biweekly, and performance bonuses paid in a single lump sum.

8

E. Pay adjustments would be on the basis of competitive evaluations conducted by panels. Office directors, DO division chiefs and heads of independent offices would approve all pay adjustments below the SIS level.

10

F. Individuals who serve outside of their home office would be evaluated for and paid a permanent increase and a performance bonus by the component in which they are working. Promotion for these individuals would be the responsibility of the parent career service.

10

G. Salary schedule adjustments would not automatically result in an increase to each employee's personal salary. Rather, an employee's salary increase would be determined during the annual pay-for-performance evaluation.

5

H. A Manager-Expert Incentive Program would be established as a recognition program for non-SIS managers and experts. There would be an increased annual leave carryover limit for managers and experts and a bonus program that would allow an additional bonus, which, when combined with the normal merit bonus, could be as much as 15 percent of base pay.

10

I. The minimum and maximum for SIS bonuses would remain as they are today, but the bonus pool would be increased somewhat to allow a larger percentage of the SIS population to receive an award.

5

Feature 3—Performance Plan

A. A modified performance appraisal system would be developed that includes: performance plan formulated by the supervisor and employee at the beginning of the rating period and required interim feedback discussions between supervisor and employee.

6

B. An automated data base of key tasks for each job identified by the occupational panels would be developed and made available to supervisors and employees to aid performance planning.

5

C. Supervisors would have the flexibility to modify a performance plan on the basis of interim feedback discussions with the employee.

10

Feature 4—Performance Evaluation

A. The current PAR format could be changed and a five-point scale adopted in place of the current seven-point scale. Additionally, a performance appraisal form tailored for the evaluation of managers would be developed.

10

B. Employees would be evaluated against job tasks identified by the occupational panels or against specific job tasks developed with the supervisor.

10

C. The performance appraisal by the first- and second-line supervisors would be used by panels to evaluate and rank employees for pay adjustments.

10 (how else could a panel do this?)

Feature 5—Occupational Career Handbooks

Career handbooks would be written for each Agency occupation. The handbooks would outline the career management process for each occupation including career maps, training and assignment opportunities, and pay administration procedures.

10

Feature 6—Individual Career Development Plans

Employees would have the option, tools, and incentives to prepare detailed and realistic career development plans. Information regarding projected Agency needs would be available to assist employees in their individual planning.

10

Feature 7—Occupation-Specific Training

Occupation-specific training would be developed that is keyed to the particular skill requirements of the various levels within individual occupations. Representatives of the occupations would work with OTE to tailor courses to meet specific occupational requirements.

10

Feature 8—Improved Availability of Training

Training would be made available when it is needed and at the convenience of the employee. Several new training features such as self-instructional correspondence courses, computer-based instruction, and workbooks on a range of unclassified subject areas would be developed.

10

Feature 9—Dual Track

With more positions established for experts at the higher levels, employees in a number of occupational fields would have an alternative to the management track that offers appropriate reward and status.

10

Feature 10—Promotion

A. Career management would continue to be the responsibility of the parent organization/career service, and panels would evaluate employees annually for promotion to the next higher level.

10

B. All employees who have a satisfactory performance appraisal rating would be considered for promotion.

10 (*underline "considered"*)

C. Promotions would result in a permanent increase to base pay of at least 10 percent.

10

Feature 11—Flexible Benefits

A flexible benefits program would be developed with three attractive characteristics. First, it would allow the employee more choice in selecting benefit options. Second, it would allow the employee to pay certain health and dependent care expenses and other qualified benefits with pretax dollars.

6

Third, it would allow the employee to exchange some annual leave for additional flexible credits or exchange flexible credits for additional leave.

Feature 12—Leave Conversion

Several annual leave modifications are being proposed as alternatives to those offered under flexible benefits. These include: increasing the annual leave carryover limits for non-SIS managers and experts; cash payment for SIS leave balances in excess of 500 hours; conversion of annual leave to sick leave or deposit into a sick leave bank; and use of home leave balances as paid time off in the year before retirement.

5

Feature 13—Educational Assistance for Dependents

A CIA-guaranteed and -subsidized student loan program administered through the Credit Union is proposed. In addition, leave secured loans and Thrift loans are considered.

5

Feature 14—Staffing Management Tools

A. Establishment of a retention bonus program is proposed to provide managers with extra flexibility to reduce turnover of key individuals or groups of employees. 8

B. An early retirement provision is proposed that would allow certain SIS officers retirement with unreduced benefits to maintain a flowthrough into the management ranks. 5

C. An early retirement provision is proposed that will allow certain key experts to retire with unreduced benefits as a means of encouraging them to spend a full career with CIA. 5

D. An involuntary retirement option is being proposed to allow certain individuals effected by reorganization or reduction in force to retire early with unreduced benefits. 5

Feature 15—System Controls

Computer-based models of the personnel structure at CIA would be developed to formulate salary planning grids for the Agency incentive pay program, to allocate incentive and promotion monies to the Directorates, and to assist components in adjusting occupational levels and numbers of personnel. 5

Feature 16—Projection Tools

Automated support would be available at the component level to assist managers with projections on future human resource requirements. 5

After reading the Task Force report on the proposed new pay, personnel management and benefits system, the statement(s) below that most closely reflects my opinion is:

- ☒ 1. What are we waiting for? I agree with the proposed changes and think that we ought to adopt the new system pretty much as presented in the report.
- ☐ 2. I agree with most of the proposed changes but think that we ought to adopt as many of them as we can under the present (GS) pay system, without shifting to a market-based occupational pay scheme.
- ☐ 3. I agree with most of the proposed changes but don't like:
- ☐ the pay-for-performance incentive feature
 - ☐ having to get off the GS system
 - ☐ the dual track idea
 - ☐ banding
 - ☐ the proposed new PAR system
 - ☐ other (specify _____)
- ☐ 4. I don't feel strongly for or against the proposed changes; I could go either way.
- ☐ 5. I don't like any of the proposed changes except:
- ☐ incentive pay
 - ☐ market pricing and getting off the GS system
 - ☐ dual track
 - ☐ banding
 - ☐ improved career development system
 - ☐ proposed benefits program changes
 - ☐ other (specify _____)
- ☐ 6. I think the whole thing is a bad idea; we should stick with what we've got.
- ☐ 7. I still don't understand the proposed changes well enough to make an informed judgment.

My office DCI/NIC
 Grade IS-04
 Career Service E
 Job title or "occupation" EXECUTIVE SECY

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☐ 4. I don't feel strongly for or against the proposed changes; I could go either way.

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☐ banding
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☐ proposed benefits program changes
☐ other (specify _____)

☐ 6. I think the whole thing is a bad idea; we should stick with what we've got.

☐ 7. I still don't understand the proposed changes well enough to make an informed judgment.

My office ONIO/S+T
Grade Level IV Secretary
Career Service E
Job title or "occupation" Secretary